

(c) Required initial evaluation

The Secretary and Secretary of the Treasury shall jointly conduct an evaluation, in consultation with the Office of Management and Budget, the Congressional Budget Office, and the Comptroller General, of the pilot program carried out by the Secretary under this section. The evaluation shall determine—

- (1) the extent of the savings to the Federal Government that are generated through the pilot program, compared to the cost the Federal Government would have incurred in operating the PLUS loan program under section 1078-2 of this title in the absence of the pilot program;
- (2) the number of lenders that participated in the pilot program, and the extent to which the pilot program generated competition among lenders to participate in the auctions under the pilot program;
- (3) the number and volume of loans made under the pilot program in each State;
- (4) the effect of the transition to and operation of the pilot program on the ability of—
 - (A) lenders participating in the pilot program to originate loans made through the pilot program smoothly and efficiently;
 - (B) institutions of higher education participating in the pilot program to disburse loans made through the pilot program smoothly and efficiently; and
 - (C) parents to obtain loans made through the pilot program in a timely and efficient manner;
- (5) the differential impact, if any, of the auction among the States, including between rural and non-rural States; and
- (6) the feasibility of using the mechanism piloted to operate the other loan programs under part B of this subchapter.

(d) Reports**(1) In general**

The Secretary and the Secretary of the Treasury shall submit to the authorizing committees—

- (A) not later than September 1, 2010, a preliminary report regarding the findings of the evaluation described in subsection (c);
- (B) not later than September 1, 2012, an interim report regarding such findings; and
- (C) not later than September 1, 2013, a final report regarding such findings.

(2) Contents

The Secretary shall include, in each report required under subparagraphs (A), (B), and (C) of paragraph (1), any recommendations, that are based on the findings of the evaluation under subsection (c), for—

- (A) improving the operation and administration of the auction; and
- (B) improving the operation and administration of other loan programs under part B.

(Pub. L. 89-329, title IV, § 499, as added Pub. L. 110-84, title VII, § 701, Sept. 27, 2007, 121 Stat. 808; amended Pub. L. 110-315, title IV, § 499, Aug. 14, 2008, 122 Stat. 3328.)

AMENDMENTS

2008—Subsec. (b)(3)(B)(iii). Pub. L. 110-315, § 499(1)(A), added cl. (iii).

Subsec. (b)(3)(G). Pub. L. 110-315, § 499(1)(B), added subpar. (G) and struck out former subpar. (G). Text of former subpar. (G) read as follows: “Each eligible lender having a winning bid under subparagraph (F) enters into an agreement with the Secretary under which the eligible lender—

“(i) agrees to originate eligible Federal PLUS Loans under this paragraph to each borrower who—

“(I) seeks an eligible Federal PLUS Loan under this paragraph to enable a dependent student to attend an institution of higher education within the State;

“(II) is eligible for an eligible Federal PLUS Loan; and

“(III) elects to borrow from the eligible lender; and

“(ii) agrees to accept a special allowance payment (after the application of section 1087-1(b)(2)(I)(v) of this title) from the Secretary with respect to the eligible Federal PLUS Loans originated under clause (i) in the amount proposed in the second lowest winning bid described in subparagraph (F) for the applicable State auction.”

Subsec. (b)(3)(J). Pub. L. 110-315, § 499(1)(C), added subpar. (J) and struck out former subpar. (J). Text of former subpar. (J) read as follows: “The Secretary guarantees the eligible Federal PLUS Loans made under this paragraph against losses resulting from the default of a parent borrower in an amount equal to 99 percent of the unpaid principal and interest due on the loan.”

Subsecs. (c), (d). Pub. L. 110-315, § 499(2), added subsecs. (c) and (d).

EFFECTIVE DATE

Section effective Oct. 1, 2007, see section 1(c) of Pub. L. 110-84, set out as an Effective Date of 2007 Amendment note under section 1070a of this title.

PART I—TRANSFERRED

CODIFICATION

Part J of title IV of Pub. L. 89-329, comprising this part, was redesignated part F of title III of Pub. L. 89-329 by Pub. L. 110-315, title III, § 316(a)(2), Aug. 14, 2008, 122 Stat. 3185, and transferred to part F (§ 1067q) of subchapter III of this chapter.

§ 1099e. Transferred

CODIFICATION

Section, Pub. L. 89-329, title IV, § 499A, as added Pub. L. 110-84, title VIII, § 802, Sept. 27, 2007, 121 Stat. 817, which related to investment in historically Black colleges and universities and other minority-serving institutions, was transferred to section 1067q of this title.

SUBCHAPTER V—DEVELOPING INSTITUTIONS

CODIFICATION

Title V of the Higher Education Act of 1965, comprising this subchapter, was originally enacted by Pub. L. 89-329, Nov. 8, 1965, 79 Stat. 1254; amended Pub. L. 90-35, June 29, 1967, 81 Stat. 81; Pub. L. 90-83, Sept. 11, 1967, 81 Stat. 195; Pub. L. 90-247, Jan. 2, 1968, 81 Stat. 783; Pub. L. 90-575, Oct. 16, 1968, 82 Stat. 1014; Pub. L. 91-230, Apr. 13, 1970, 84 Stat. 121; Pub. L. 92-318, June 23, 1972, 86 Stat. 235; Pub. L. 93-380, Aug. 21, 1974, 88 Stat. 484; Pub. L. 94-482, Oct. 12, 1976, 90 Stat. 2081; Pub. L. 95-43, June 15, 1977, 91 Stat. 213; Pub. L. 95-561, Nov. 1, 1978, 92 Stat. 2143; Pub. L. 96-49, Aug. 13, 1979, 93 Stat. 351; Pub. L. 96-88, Oct. 17, 1979, 93 Stat. 668; Pub. L. 96-374, Oct. 3, 1980, 94 Stat. 1367; Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 357; Pub. L. 97-300, Oct. 13, 1982, 96 Stat. 1322; Pub. L. 98-558, Oct. 30, 1984, 98 Stat. 2878; Pub. L. 99-386, Aug. 22, 1986, 100 Stat. 821; Pub. L. 99-498, Oct. 17, 1986, 100 Stat. 1268; Pub. L. 100-50, June 3, 1987, 101 Stat. 335; Pub. L. 101-226, Dec. 12, 1989, 103 Stat. 1928; Pub. L. 102-325, July